

Fit for tomorrow



Growth
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Knowledge

Analyzing locations in the
fitness industry with
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Fitness: A booming industry

The fitness industry has evolved significantly from an initial focus on body-building in the 1950s to the advent of aerobics in the 1990s and finally to the broader offering of today's health clubs and fitness studios. While physical fitness was the predominant emphasis in the early days of the industry, there is now an ever increasing focus on promoting overall wellness through options such as saunas and swimming pools.

There is also a continual emergence of new types of recreational activities, classes and modern fitness equipment, giving customers enormous variety from which to choose. Health insurance companies are also becoming more vocal in their support for members' physical activity, recognizing that prevention plays a key role in health outcomes. All of these developments are fueling the current boom in the fitness industry, which is leading many businesses to invest in expansion.

How can the fitness industry successfully respond to this demand for new locations and which data and tools offer reliable insights on where to reach target groups and tap market potential with new sites?

The fitness industry encompasses a wide range of offerings, from budget-oriented gyms to premium-level venues. Despite this diversity, there is much overlap in terms of the concerns faced by these businesses. Understanding how to respond to these concerns is a key determinant of success.

Irrespective of where fitness outlets fall on the spectrum from no-frills gyms to boutique fitness studios, a firm grasp of regional markets and their differences is necessary to attract customers. This is true both for new and existing fitness locations. Customers increasingly expect options ranging from personal trainers and wellness services to new fitness concepts and courses. Understanding how these expectations differ regionally and where certain target groups are located are thus critical factors when evaluating locations. A geomarketing approach brings together data on potential, location analyses and other geographic-oriented

visualization and assessment tools. This helps location and expansion planners categorize and evaluate new fitness outlets, laying the groundwork for sustainable success.

The location-related requirements and criteria for fitness outlets are very similar. These include factors such as how densely a given target group is concentrated in a location's catchment area, how close a site is to public transportation, whether there are business agglomerations or other frequency-generating retailers in the vicinity, if competitors are present and what the demographic characteristics are of the people living near an existing or prospective fitness outlet.

This white paper discusses the factors that make a location successful, what kind of data is most important for location decisions and which approaches are most helpful during the planning process.

The regional distribution of one's target group is a decisive factor when assessing locations.

